

GEORGIA STATE BOARD OF ACCOUNTANCY

Board Meeting: July 20, 2005

Minutes Approved by Board on August 25, 2005

A meeting of the Georgia State Board of Accountancy was held on Wednesday, July 20, 2005, at the Office of the Division Director, Professional Licensing Boards Division, 237 Coliseum Drive, Macon, Georgia.

The following Board members were present:

Michael W. Skinner, CPA and Chairman
W. Carter Bates, III, Consumer Member
C. Ben Hill, CPA
J. Sam Johnson, CPA
Grace Williams, CPA

Others present:

Gwyn H. Ridley, Executive Director
Sherry Harrison, Applications Specialist
Annie Ruth Parks, Applications Specialist
Marie S. Urquhart, Board Secretary
Janet Wray, Board Attorney
Jackie Turner, Investigative Unit
Sally Hatcher, Legal Services
George M. Parker, Georgia Association of Public Accountants (GAPA)
Don A. Hundaby, Georgia Association of Public Accountants (GAPA)

Chairman Skinner established a quorum was present at 9:32 a.m. and called the meeting to order.

Mr. Hill made a motion to approve the minutes of the May 18, 2005 meeting. Mr. Bates seconded the motion. The motion carried unanimously.

Mr. Johnson made a motion to enter into **Executive Session** in accordance with O.C.G.A.43-1-2(k) and 43-1-19(h) to deliberate on applications and investigative matters and to receive an investigative report. Ms. Williams seconded the motion. Voting in favor of the motion were those members present who included Board Members Bates, Hill, Johnson, Skinner, and Williams. The Board concluded **Executive Session** in order to vote on these matters and to continue with the public session.

Applications:

Mr. Hill made a motion to **approve** the following licensure applications that met certification requirements. Mr. Bates seconded the motion. The motion carried unanimously.

CPA Certificates:

Name	Licensing Method	License No.
Sherly Abraham	Examination	CPA024805
Marcy Lynne Bowden	Examination	CPA024806
Stacy Mark Brantley	Examination	CPA024807

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Belinda Brock	Examination	CPA024808
Julie Benedetto Cha	Examination	CPA024809
Thomas Alan Dowless	Examination	CPA024810
Mandy Lane Durrence	Examination	CPA024811
Audrey Lynn Emerson	Examination	CPA024812
Dustin Walter Emhart	Examination	CPA024813
Asim Fareeduddin	Examination	CPA024814
Marc R. Hill	Examination	CPA024815
Robyn Lynn Hudec	Examination	CPA024816
Hyong Ju Kim	Examination	CPA024817
Carolyn Brooks Kobek	Examination	CPA024818
Asif Majeed	Examination	CPA024819
Tyler J. Maney	Examination	CPA024820
Crystal Renee McCollum	Examination	CPA024821
Jerry L. McNair	Examination	CPA024822
Kimberly Jean Morgan	Examination	CPA024823
Douglas C. Neal	Examination	CPA024824
Mark C. Payne	Examination	CPA024825
Manali Patel	Examination	CPA024826
Deanne Dennis Rareshide	Examination	CPA024827
Holly Danyelle Reid	Examination	CPA024828
David Howell Scott	Examination	CPA024829
Judith Diane Sherling	Examination	CPA024830
Lawrence Calvin Smith	Examination	CPA024831
Esther Guin Suarez	Examination	CPA024832
Cuneyt Tekgul	Examination	CPA024833
Seth Michael Trugman	Examination	CPA024834
Caroline Harris Ward	Examination	CPA024835
Jeffery Todd Warren	Examination	CPA024836
Pauline May Wells	Examination	CPA024837
Dustin Charles Wilkes	Examination	CPA024838
Kai Zheng	Examination	CPA024839
David Andrew Afshar	Reciprocity	CPA024840
Kenneth Christopher Anthony	Reciprocity	CPA024841
Freda M. Benton	Reciprocity	CPA024842
John Edward Boyle	Reciprocity	CPA024843
Linda Armstrong Burgess	Reciprocity	CPA024844
Daniel Leon Clemmens	Reciprocity	CPA024845
John Thomas Drawdy, Jr.	Reciprocity	CPA024846
Michael John Elliot	Reciprocity	CPA024847
Zelly Benjamin Goldberg	Reciprocity	CPA024848
Gregory T. Grobstein	Reciprocity	CPA024849
James Birthright Hare	Reciprocity	CPA024850
Francis Harrison Horton, III	Reciprocity	CPA024851
William J. Laverty	Reciprocity	CPA024852

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Debra Jean Moon	Reciprocity	CPA024853
Taiwo Ogbomo	Reciprocity	CPA024854
Jason Richard Perry	Reciprocity	CPA024855
David Brian Peterson	Reciprocity	CPA024856
Samara Victoria Ross	Reciprocity	CPA024857
Kelly A. Schmid	Reciprocity	CPA024858
Gary Lee Schmidt	Reciprocity	CPA024859
Paul David Stein	Reciprocity	CPA024860
Kimberly Ann Weimer	Reciprocity	CPA024861
Terry Jay Werner	Reciprocity	CPA024862
Kurtis Ashley Wolff	Reciprocity	CPA024863
Wai Li Kate Yip	Reciprocity	CPA024864

The following applicant appeared before the Board and provided additional information regarding his application and to appeal the Board's disapproval of his application:

Stacy Mark Brantley: After considering additional information provided, Mr. Bates made a motion to **approve** his application for licensure as being substantially equivalent under work experience - Rule 20-3-8(3)(c). Mr. Johnson seconded the motion. The motion carried unanimously.

The Board reviewed the following written appeal of the Board's disapproval of his request for a waiver:

Leon D. Murray, Jr.: After considering additional information provided, Mr. Johnson made a motion to **approve** his request for a waiver of continuing professional education requirements and reinstate his license. Mr. Hill seconded the motion. The motion carried unanimously.

Correspondence, Requests, and Inquiries:

Charles L. Webb: The Board reviewed information provided which required no action by the Board.

Francis Parmar: The Board reviewed correspondence regarding CPA licensure in Georgia. The Board voted to refer him to its law and rules regarding the eligibility requirements for CPA licensure. The Board advised that its law and rules preclude issuance of a license without meeting all of the examination, educational, and experience requirements.

Werner Louw: The Board reviewed correspondence regarding the acceptance of Dale Carnegie hours. Ms. Williams made a motion to clarify the Board's position as stated in Rule 20-3-.08(c). Mr. Bates seconded the motion. The motion carried unanimously.

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Correspondence, Requests, and Inquiries - Firms:

The following firms requested waiver of the late renewal fee:

Lunsford & Strickland: Mr. Johnson made a motion to **disapprove** the request. Mr. Bates seconded the motion. The motion carried unanimously.

Masri Accounting & Tax Services, Inc. d/b/a Instant Tax & Accounting: Mr. Bates made a motion to **disapprove** the request. Mr. Hill seconded the motion. The motion carried unanimously.

Jeetesh D. Mistry, CPA, PC: Mr. Bates made a motion to **disapprove** the request. Mr. Hill seconded the motion. The motion carried unanimously.

Douglas D. Taylor, CPA: Ms. Williams made a motion to **disapprove** the request. Mr. Johnson seconded the motion. The motion carried unanimously.

Michael J. Tomkiewicz: Mr. Bates made a motion to **disapprove** the request. Mr. Johnson seconded the motion. The motion carried unanimously.

Temporary Permit-Peer Review:

Karen Tramm: The Board reviewed correspondence regarding the performance of a peer review engagement service in Georgia. Mr. Johnson made a motion to advise that the work as described does not require a temporary permit or license, if the out-of-state CPA that is conducting the work in Georgia, does not hold himself out as a Georgia licensee. The Board noted the performance of peer review services is not considered the practice of public accounting as defined under Board Rule 20-2-.11 – “Practice of, or Practicing Public Accounting”. Ms. Williams seconded the motion. The motion carried unanimously.

The following firms requested an extension to complete peer review requirements:

Bennett, Davidson and Associates, LLP: Mr. Johnson made a motion to **approve** the request for an extension to August 31, 2005, for completion of peer review requirements. Mr. Bates seconded the motion. The motion carried unanimously.

Ethridge & Miller PC: Mr. Bates made a motion to **approve** the request for an extension to October 31, 2005, for completion of peer review requirements. Ms. Williams seconded the motion. The motion carried unanimously.

Marine Harris, CPA: Mr. Johnson made a motion to **approve** the request for an extension to August 31, 2005, for completion of peer review requirements. Mr. Hill seconded the motion. The motion carried unanimously.

James F. Leach, PC: Mr. Johnson made a motion to **disapprove** the request for an extension for completion of peer review requirements. Mr. Hill seconded the motion. The motion carried unanimously.

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Firm Licensure/Renewal:

Larry Gabriel: Mr. Bates made a motion to **approve** the application for firm licensure. Mr. Johnson seconded the motion. The motion carried unanimously.

McLoon Accounting PC: The Board reviewed information received that the peer review requirements had been met, and the firm license has been renewed.

Investigative Report:

Mr. Skinner presented the following recommendations of the Enforcement Committee. Mr. Bates made a motion to **approve** the Committee's recommendations. Mr. Hill seconded the motion. The motion carried unanimously.

ACCT0224 – Close the case.

ACCT050068 – Close the case.

ACCT050086 – Close the case.

ACCT050088 – Close the case.

ACCT050092 – Close the case.

ACCT050096 – Close the case.

ACCT050098 – Close the case.

ACCT050103 – Close the case.

ACCT01121 – Legal Services updated the Board on the status of the case. Mr. Johnson made a motion to close the case. Mr. Bates seconded the motion. The motion carried unanimously.

Mary Carswell: The Enforcement Unit presented a signed Voluntary Cease and Desist Order. Mr. Johnson made a motion to **accept** the signed Voluntary Cease and Desist Order and close the case. Mr. Bates seconded the motion. The motion carried unanimously.

John H. Lill, III: The Enforcement Unit presented a signed Voluntary Cease and Desist Order. Mr. Johnson made a motion to **accept** the signed Voluntary Cease and Desist Order and close the case. Mr. Bates seconded the motion. The motion carried unanimously.

Christopher Wayne Lacey: Legal Services presented a signed Voluntary Surrender of License. Mr. Hill made a motion to **accept** the signed Voluntary Surrender of License and close the case. Mr. Bates seconded the motion. The motion carried unanimously.

The Board heard a report from the following staff members:

The Board Attorney updated the Board and provided a written status report of cases and advice referred for action.

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The Executive Director updated the Board on the following items of interest:

- RPA licensees were issued new CPA licenses on July 1, 2005
- Newsletter
- Continuing education audit

The Board discussed a continuing education audit for the upcoming renewal. Mr. Johnson made a motion to conduct an audit for the 2003-2005 period. Ms. Williams seconded the motion. The motion carried unanimously.

Correspondence, Requests, Inquiries and Information Items:

Institute of Chartered Accountants of Ontario: The Board reviewed correspondence received and advised the matter is under consideration.

The Board reviewed other miscellaneous correspondence and information that did not require a vote or action.

NASBA:

The Board responded to an inquiry regarding educational requirements for Georgia CPA licensure. The Board determined that general business subjects must be taken within the Business Department of schools, colleges or universities. Computer courses or statistics courses taken in the Math Department will not count as fulfilling the general business subjects requirement for licensure.

The Board reviewed a list of nominees for Directors-at-Large and Regional Directors.

The Board reviewed an Exposure Draft of the Uniform Accountancy Rules 5-1 and 5-2. Board members are to provide comments to the Board Chair for a response to NASBA. The Board discussed other items of interest relating to NASBA.

AICPA:

The Board reviewed correspondence concerning responses to state concerns about the Computer Based Testing.

The Board reviewed correspondence concerning proposed revisions of the Professional Conduct Code by the Professional Ethics Executive Committee (PEEC).

Mr. Johnson made a motion to update the list of "Board Approved Peer Review Programs" from the "SECPS Peer Review Program" to "The Center for Public Company Audits Peer Review Program" to reflect a recent name change. Mr. Bates seconded the motion. The motion carried unanimously.

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Propose To Adopt Rules 20-1-.01; 20-1-.02; 20-4; 20-8; 20-10-.01; 20-11-.01; 20-11-.02; 20-11-.03; 20-12-.16; 20-12-.17; and 20-14-.01:

At its meeting on July 20, 2005, the Accountancy Board voted to post 20-1-.01; 20-1-.02; 20-4; 20-8; 20-10-.01; 20-11-.01; 20-11-.02; 20-11-.03; 20-12-.16; 20-12-.17; and 20-14-.01. The Board discussed revisions to its rules and considered modifications to Rule 20-1-.01; 20-1-.02; 20-4; 20-8; 20-10-.01; 20-11-.01; 20-11-.02; 20-11-.03; 20-12-.16; 20-12-.17; and 20-14-.01. Mr. Bates made a motion to propose adoption of these rules and to post and hold a public hearing to receive comments regarding the proposed rules and to consider adoption of the rules following the public hearing. In its consideration of the proposed rules, the Board stated that the formulation and adoption of these rules do not impose additional regulatory cost on any licensee that cannot be reduced by a less expensive alternative that fully accomplishes the objectives of the statutes that are the basis for the proposed rules. Further, the Board stated that it is not legal or feasible to meet the objectives of these statutes to adopt or implement differing actions for business as listed in O.C.G.A. Section 50-13-4(a)(3)(A)(B)(C) and (D) and that the formulation and adoption of these rules will impact every licensee in the same manner and each licensee is independently licensed, owned, and operated and dominant in the field of Accountancy. Ms. Williams seconded the motion. The motion carried unanimously.

Other Business:

Mr. Bates made a motion to revise Statement of Policy No. 9 – Reciprocity to add the following addendum for guidelines when using self employment as qualifying experience. Ms. Williams seconded the motion. The motion carried unanimously. (See Attachment #1.)

Addendum to Statement of Policy No. 9 – Reciprocity

“Applicants using self employment as qualifying experience must submit 5 notarized letters from clients, on the client’s letterhead, stating that the applicant was their CPA during the 5 years immediately preceding the date of application, describing the types of services the applicant performed for them. Also, the applicant must submit at least 2 samples of the type of work supporting the representations made by the 5 clients. If the applicant is providing attestation services for any client, the samples of work must include at least (2) samples of the product of attestation services.”

There was no further business and the meeting was adjourned at 12:46 p.m.

Marie S. Urquhart

Recorded by Board Secretary

Gwyn H. Ridley

Reviewed by Executive Director

Michael W. Skinner

Chairman

Mollie L. Fleeman

Mollie L. Fleeman

Division Director

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Attachment #1

July 20, 2005

Accountancy Board Minutes

GEORGIA STATE BOARD OF ACCOUNTANCY

STATEMENT OF POLICY NO. 9

**(For use in administering O.C.G.A. 43-3-11 of the
Public Accountancy Act of 1977 and section 20-3-.09 of the Rules)**

RECIPROCITY

A person desiring a reciprocal certificate as a certified public accountant in Georgia on the basis of a certificate and current permit to practice public accounting in another state must apply upon a form for the purpose provided by the Board and obtainable from its offices and pay the appropriate fees as provided in the rule.

POLICY

An individual who is licensed in another state may apply for a reciprocal certificate. The code sections governing reciprocity allow the Board flexibility in evaluating a reciprocal application. In evaluating an application for a reciprocal certificate, the Board will look for the following elements:

- I. Age: Eighteen or over**
- II. Good Moral Character**
- III. Passage of Uniform CPA Examination (This requirement is waived if the applicant has been licensed and practicing public accounting in another state for 10 years.)**
- IV. Education**
 - A. Four-year degree from an accredited institution, with a concentration in accounting or substantial equivalent (if applicant began sitting for the examination prior to January 1, 1998).**
 - OR**
 - B. 150 semester hours, including a baccalaureate degree, with 30 semester hours in accounting courses above the elementary level and 24 semester hours in general business subjects (if applicant began sitting for the examination after January 1, 1998).**
- V. If at the time of initial licensure, or since that time, the candidate has met the experience requirement described in Rule 20-3-.08(2), the Board will consider the experience to be substantially equivalent and acceptable.**

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Board voted as addendum on 7/20/05

- VI. Applicants using self employment as qualifying experience must submit 5 notarized letters from clients, on the client's letterhead, stating that the applicant was their CPA during the 5 years immediately preceding the date of application, describing the types of services the applicant performed for them. Also, the applicant must submit at least 2 samples of the type of work supporting the representations made by the 5 clients. If the applicant is providing attestation services for any client, the samples of work must include at least (2) samples of the product of attestation services.**

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Attachment

STATE OF GEORGIA

COUNTY OF BIBB

**AFFIDAVIT SUPPORTING CLOSING
OF PUBLIC MEETING**

The Georgia Open Meetings Act, O.C.G.A. § 50-14-1 et seq., requires that all meetings of an entity covered by the statute must be open to the public unless there is some specific statutory exception which permits the closing of the meeting. If such a meeting is to be closed, the law requires that the presiding person execute a sworn affidavit stating that the subject matter of the meeting or the closed portion thereof was devoted to matters within the statutory exceptions and identifying those specific exceptions relied upon. O.C.G.A. § 50-14-4(b). A copy of this affidavit must be filed with the minutes of the meeting in question.

Comes now Michael W. Skinner, the presiding officer identified below and, before an official duly authorized to administer oaths, makes this affidavit in satisfaction of the statutory requirements outlined above.

1. I am the presiding officer of the GEORGIA STATE BOARD OF ACCOUNTANCY.
2. I am over the age of 18 and in all over aspects competent to make this sworn statement. I acknowledge that I am giving this statement under oath and penalty of perjury and that I have read the contents of this affidavit prior to signing it.
3. On July 20, 2005 this entity, which is subject to the Open Meetings Act, met. A majority of the quorum of the members present voted to close the meeting or a portion thereof for the following indicated reason(s). I hereby certify that during the closed portion of the meeting, only those subjects indicated below were discussed. I also certify that I have reviewed the exceptions provided under the Open Meetings Act that may permit the closing of a meeting and that, to the best of my knowledge, the reasons I have described in detail below meet the requirements for closing this public meeting.

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4. The legal authority for the closure of this meeting was:

OCGA 43-1-2 (k); 43-1-19(h)

5. The subject(s) discussed and the underlying facts supporting the closing of this meeting are:

RECEIPT OF AND DELIBERATIONS REGARDING APPLICATIONS
AND APPLICATION INFORMATION AND DELIBERATIONS
REGARDING INVESTIGATIONS AND ENFORCEMENT MATTERS;
RECEIPT OF THE RESULTS OF INVESTIGATIONS.

FURTHER THE AFFIANT SAYETH NOT.

Michael W. Skinner
PRESIDING OFFICER

SWORN AND SUBSCRIBED BEFORE ME

This 20th day of July, 2005

Marie S. Urquhart
Notary Public